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## UNITED STATES HOUSE OF REPRESENTATIVES

January 14, 2020

The Honorable Patrick J. Fuchs Vice Chairman Surface Transportation Board 395 E Street Southwest Washington, D.C. 20423

The Honorable Ann D. Begeman Chairman Surface Transportation Board 395 E Street Southwest Washington, D.C. 20423

The Honorable Martin J. Oberman Board Member Surface Transportation Board 395 E Street Southwest Washington, D.C. 20423

Dear Chairman Begeman, Vice Chairman Fuchs, and Board Member Oberman:

I write to urge the Surface Transportation Board (STB) to incorporate a thorough cost-benefit analysis into its regulatory framework towards future significant rulemakings. I appreciate the Board's recent solicitation of information (Docket No. EP 752) on integrating cost-benefit analysis into STB's rulemaking process. The incorporation of cost-benefit analysis will improve the transparency and clarity of the Board's decisions and help ensure that any new regulatory action appropriately promotes the long-term health of the freight transportation sector for shippers, railroads, and consumers alike.

To meet rail transportation policy mandates, the Board should impose new regulations only where made necessary by compelling public need and after thoroughly weighing the costs and benefits of any proposed actions. As part of this analysis, the Board should consider how its intervention in the private marketplace will affect the broader industry's ability to respond to changing market conditions and to what degree new regulations will interact with existing regulations.

A thorough consideration of the costs and benefits of any regulation is the bedrock upon which a clearly articulated vision for the future of freight transportation is built. I therefore encourage the Board to adopt rules that align its rulemaking proceedings with the best practices of the federal government, taking into account its obligations under existing law.

I also ask that the Board carefully consider the recommendations contained in the Task Force's report. Since the passage of the Staggers Act and the resulting economic deregulation, the rail industry has achieved substantial improvements in safety, made significant investments in infrastructure including positive train control (PTC) implementation, and developed new technologies to improve its operations. It is crucial that the regulatory structure under which

railroads, a network industry, operate remains balanced. Regulatory policy must recognize the importance of railroads' ability to invest, grow their networks, and meet the nation's freight transportation demands.

Thank you for your consideration of this matter and look forward to working with you in the future.

Sincerely,

KEN CALVERT

Member of Congress